Resources Realty

General Superintendent, Navajo Agency Attention: Branch of Realty

April 23, 1956

Assistant Area Director, Resources

Cancellation of Navajo Tribal Mining Permit No. 18, which was assigned from Enos Johnson, Sr. and Enos Johnson, Jr. to Roland D. Young.

Reference is made to the above subject.

There are enclosed two cancelled copies of Assignment of Mining Permit No. 18. There is also enclosed a bond in the amount of \$10,500 executed under date of July 3, 1952, by the Saint Paul Mercury Indemnity Company of Saint Paul, Minnesota, surety. This bond is terminated as to any liabilities subsequent to April 19, 1956.

(Sgd) W. Claire Harris

for-Assistant Area Director

Attachment

cc: chrono file /

m&f WCHarris:lg

Realty

Ceneral Superintendent, Navajo Agency Attention: Eranch of Realty

April 23, 1956

Assistant Area Director, Resources

Assignment of Tribal Mining Permit No. 18 from Enos Johnson Sr. and Enos Johnson, Jr., to the Shiprock Uranium Corporation

Reference is made to the subject.

There are enclosed five approved copies of Assignment of Tribal Permit No. 18. There is also enclosed a bond in the amount of \$10,500 executed under date of November 19, 1955, by the American Employers Insurance Company of Boston, Massachusetts.

(Sgd) W. Claire Harris

for-Assistant Area Director

Attachments

WCHarris:lg

Hames Halmer

Realty

Gallup Area Office P. O. Box 1260 Gallup, New Mexico

FEB

1961

Memorandum

General Superintendent, Navajo Agency
Attention: Branch of Realty
Area Director

Subject: Proposed cancellation of assignment on Navajo Tribal Mining Permit No. 18, in favor of Shiprock Industries, Incorporated.

We have your memorandum of February 10, 1961, concerning the above subject.

You are hereby instructed to send a cancellation notice to the assignee and surety under the bond by registered mail with return receipt requested. The notice should state specifically the terms and conditions of the assignment that have been violated and should include an itemized statement of any money due. The notice should also state:

"An appeal from this decision may be made to the Area Director, Gallup Area Office, P. O. Box 1260, Gallup, New Mexico, in accordance with Part 2 of Title 25, Code of Federal Regulations (25 FR 9106). An appeal petition must be received in the office of the General Superintendent, Navajo Agency, Window Rock, Arizona, within 20 days after the date of mailing of this letter."

Kindly send us a copy of your notice of cancellation. Your entire file is returned herewith.

/S/ Graham Holmes

Assistant Area Director

Attachment

WCHarris: bh: 2-21-61

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Navajo Agency Window Rock, Arizona

MAR 1 - 1969

Certified Mail
Return Receipt Requested

Shiprock Industries, Incorporated Room 29
729 East Main
Farmington, New Mexico

Gentlemen:

This is to advise that your assignment on Navajo Tribal Mining Permit No. 18 is cancelled effective the date of this letter, due to your failure to comply with Section I(e) thereof, which requires your continued mining operations on the premises. The last production report received in this office is for the month of March 1959.

An appeal from this decision may be made to the Area Director, Gellup Area Office, P. O. Box 1260, Gellup, New Mexico, in accordance with Part 2 of Title 25, Code of Federal Regulations (25 FR 9106). An appeal petition must be received in the office of the General Superintendent, Navejo Agency, Window Rock, Arizona, within 20 days after the date of mailing of this letter.

Sincerely yours,

(Sgd.) K. W. Dixner

ACTING General Superintendent

cc: United States Fidelity and Guaranty Co. - Bond #57279-13-117-59
Baltimore, Maryland

Area Director, Atten: Area Realty Officer

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Shiprock Industries, Inc. 2000 National Bank of Tulan Building Tulan 3, Oklahoma

March 15, 1961

General Superintendent United States Department of the Interior Bureau of Indian Affairs Navajo Agency Window Rock, Arizona

Dear Sir:

This is to acknowledge receipt of your letter dated March 1, 1961, addressed to Shiprock Industries, Inc., Room 29, 729 East Main, Farmington, New Mexico, which has been forwarded to Tulsa, Oklahoma, as the office in Farmington was closed during 1957.

Our late reply to your letter of March 1, 1961, is due in part to the delay in the letter reaching this office.

This letter is to serve as an appeal petition for a delay in canceling Navajo Tribal Mining Permit No. 18 until the expiration of the period for which the last rental payment was made.

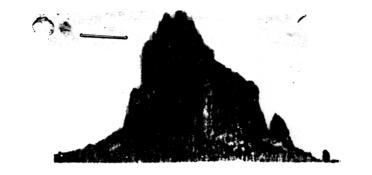
We have been endeavoring to work out an arrangement to join others in putting the property back into production, and will greatly appreciate an extension of time until April 19, 1961, in which to do this. Our present permit is effective until that date if the rental payment is allowed to continue for its full term,

As you know, the mine was operated on a small scale during the years 1955, 1956, and 1957. The mine was reopened and operated for approximately seven months during the latter part of 1958 and the early part of 1959.

Expenditures for operating the mine totaled \$179,117.84, and the sale of uranium and vanadium ores amounted to \$42,275.32.

The Company paid \$53,333.50 for an assignment of the mining permit from Rowland D. Young in 1955.

The costs and receipts are summarized as follows:



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Suiprock Industries, Inc.

ROOM 29 - 729 E. MAIN

FARMINGTON, NEW MEXICO

March 23, 196

Mr. K. W. Dizon, Acting General Superintendent United States Department of the Interior Bureau of Indian Affairs Navajo Agency Window Rock, Arizona

Dear Mr. Dixon

Thank you very much for your letter of March 24, 1961, concerning Tribal Mining Permit #18.

Our efforts to induce others to join us in reopening the mine have not been successful, and we do not feel that Shiprock should spend any more money on a situation that has been so unprofitable to date.

We were hopeful of being able to retain the Perait for another six months or a year, as one of our associated companies has empended a considerable sum of money in constructing and test operating 2 uranium ore upgraders that might have made the operation profitable. However, neither of the models have been successful; nevertheless, efforts toward this objective are being continued.

I realize too that this affords no immediate or tangible benefit to the Názajo Tribe, in whose bubalf you are noting.

Therefore, an appeal from the cancellation of the Permit will not be made to the Advisory Committee of the Tribal Council.

I am most grateful to you for your consideration and helpful advice if we had ducided upon an appeal. Whoever takes over the mine has our best wishes for success, because there is a large quantity of low grade ore that is a real prize to anyone that can mine it profitably.

Sincerely yours,

F. T. ANDERSON

FTA: JP

MAR SC

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF INDIAN AFFAIRS Navajo Agency Window Rock, Arizona

APR 1 4 1961

Memorandum

Area Director

From: General Superintendent

Subject: Request for action on assignment of Tribal Mining Permit

is submitted herewith for your consideration, assignment of Navajo Tribal Mining Permit No. 18 covering 69.5 acres from Mr. & Mrs. Enos Johnson, Jr. and Enos Johnson, Sr. to Ivor Adair & William Adair, d/b/a A & B Mining Company

The assignment covers Navajo Tribal lands as described in the mining permit. The lands are restricted and all royalties and rentals due have been paid. Bond No. 69118-13-356-61, \$1,000, dated March 21, 1961, showing U. S. Fidelity & Guaranty Company of Baltimore, Maryland, \$ 10.00 filing fee has been collected. REMARKS: Agency File on M.P. It is recommended that the assignment and bond be approved 18 is attached, please return.

Department of the Interior Bureau of Indian Affairs

Gallup Area Office

Assignment and bond (approved):

APR 2 0 1051

Approved under Authority Delegated by Secretarial Order No. 2508, January 11, 1949, (14 F.R. 258-260), and Order No. 551, Amendment 10 19 F.R. 4544.